



General Assembly

Substitute Bill No. 6685

January Session, 2005

* HB06685LM 050605 *

AN ACT CONCERNING FISCAL ACCOUNTABILITY OF STATE GOVERNMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2005*) (a) During the month of
2 November in each year, the joint standing committees of the General
3 Assembly having cognizance of matters relating to appropriations and
4 the budgets of state agencies and finance, revenue and bonding shall
5 meet with the Secretary of the Office of Policy and Management, the
6 director of the legislative Office of Fiscal Analysis, and such other
7 persons as they deem appropriate, to consider the items submitted
8 pursuant to subsection (b) of this section.

9 (b) On or before November first, annually, the Secretary of the
10 Office of Policy and Management and the director of the legislative
11 Office of Fiscal Analysis shall each submit the following to the joint
12 standing committees of the General Assembly having cognizance of
13 matters relating to appropriations and the budgets of state agencies
14 and finance, revenue and bonding: (1) An estimate of state revenues,
15 expenditures and ending balance for each fund, for the current
16 biennium and the next ensuing three fiscal years, and the assumptions
17 on which such estimates are based; (2) the projected tax credits to be
18 used in the current biennium and the next ensuing three fiscal years,
19 and the assumptions on which such projections are based; (3) a

20 summary of any estimated deficiencies in the current fiscal year, the
21 reasons for such deficiencies, and the assumptions upon which such
22 estimates are based; (4) the projected balance in the Budget Reserve
23 Fund at the end of each uncompleted fiscal year of the current
24 biennium and the next ensuing three fiscal years; (5) the projected
25 bond authorizations, allocations and issuances in each of the next
26 ensuing five fiscal years and their impact on the debt service of the
27 major funds of the state; (6) an analysis of revenue and expenditure
28 trends and of the major cost drivers affecting state spending, including
29 identification of any areas of concern and efforts undertaken to
30 address such areas, including, but not limited to, efforts to obtain
31 federal funds; and (7) an analysis of possible uses of surplus funds,
32 including, but not limited to, the Budget Reserve Fund, debt retirement
33 and funding of pension liabilities.

34 Sec. 2. Section 2-24a of the general statutes is repealed and the
35 following is substituted in lieu thereof (*Effective July 1, 2005*):

36 No bill without a fiscal note appended thereto which, if passed,
37 would require the expenditure of state or municipal funds or affect
38 state or municipal revenue in the current fiscal year or any of the next
39 ensuing five fiscal years shall be acted upon by either house of the
40 General Assembly unless said requirement of a fiscal note is dispensed
41 with by a vote of at least two-thirds of such house. Such fiscal note
42 shall clearly identify the cost and revenue impact to the state and
43 municipalities in the current fiscal year and in each of the next ensuing
44 five fiscal years.

45 Sec. 3. Section 2-17 of the general statutes is repealed and the
46 following is substituted in lieu thereof (*Effective October 1, 2005*):

47 Any member-elect of either house of the General Assembly, prior to
48 the beginning of the regular session in the January following [his] such
49 member's election, may introduce any bill for a public or special act by
50 filing the same with the clerk of the House or Senate, who shall assign
51 to each such bill a House or Senate serial number and shall cause to be

52 made a sufficient number of photo-offset copies of such bill. Each such
53 bill shall be filed in triplicate and shall be typewritten or printed,
54 without interlineation or erasure, on paper eight and one-half by
55 thirteen inches or eight and one-half by fourteen inches in size, the
56 second and third copies to be on yellow-colored and blue-colored
57 paper, respectively, of the same size and format as the original. Any
58 member-elect offering such bill shall endorse by signing thereon [his]
59 such member-elect's name in some conspicuous place and shall attach
60 thereto a statement of its purpose in not more than one hundred and
61 fifty words, which are to be typewritten or printed at the end of the bill
62 under the caption "statement of purpose". The head of each state
63 department, board, commission or other state agency shall file [his]
64 such head's requests for legislative enactment in the form of bills,
65 appended to each a summary and a fiscal note containing the
66 information required pursuant to section 2-24a, as amended by this act,
67 with the clerk of the House or Senate on or before January fifteenth of
68 the odd-numbered year and on or before February eighth in the even-
69 numbered year. Such head of each state department, board,
70 commission or other state agency requiring assistance from the
71 Legislative Commissioners' Office in the preparation of such bills shall
72 submit requests for such assistance on or before December first of each
73 year.

74 Sec. 4. Subsection (c) of section 2-71c of the general statutes is
75 repealed and the following is substituted in lieu thereof (*Effective*
76 *October 1, 2005*):

77 (c) The legislative Office of Fiscal Analysis shall assist the General
78 Assembly and the Legislative Department, legislative commissions
79 and legislative committees in a research and advisory capacity as
80 follows: (1) Reviewing department and program operating budget
81 requests; (2) analyzing and helping to establish priorities with regard
82 to capital programs; (3) checking executive revenue estimates for
83 accuracy; (4) recommending potential untapped sources of revenue; (5)
84 assisting in legislative hearings and helping to schedule and prepare
85 the agenda of such hearings; (6) assisting in the development of means

86 by which budgeted programs can be periodically reviewed; (7)
 87 preparing short analyses of the costs and long-range projections of
 88 executive programs and proposed agency regulations; (8) keeping
 89 track of federal aid programs to make sure that Connecticut is taking
 90 full advantage of opportunities for assistance; (9) reviewing, on a
 91 continuous basis, departmental budgets and programs; (10) analyzing
 92 and preparing critiques of the Governor's proposed budget; (11)
 93 studying, in depth, selected executive programs during the interim;
 94 (12) performing such other services in the field of finance as may be
 95 requested by the Joint Committee on Legislative Management; (13)
 96 preparing the fiscal notes, required under section 2-24, upon favorably
 97 reported bills which require expenditure of state or municipal funds or
 98 affect state or municipal revenue; [and] (14) preparing at the end of
 99 each fiscal year a compilation of all fiscal notes on legislation and
 100 agency regulations taking effect in the next fiscal year, including the
 101 total costs, savings and revenue effects estimated in such notes; and
 102 (15) every second and fourth year after the effective date of each
 103 enacted bill, review the fiscal note of such bill to compare it to the fiscal
 104 note prepared at the time such bill was favorably reported. The
 105 governing body of any municipality, if requested, shall provide the
 106 Office of Fiscal Analysis, within two working days, with any
 107 information that may be necessary for analysis in preparation of such
 108 fiscal notes. Each officer, board, commission or department of the state
 109 government shall assist the Office of Fiscal Analysis in carrying out its
 110 duties and, if requested, shall make its records and accounts available
 111 to the office in a timely manner, except that where there are statutory
 112 requirements of confidentiality with regard to such records and
 113 accounts, the identity of any person to whom such records or accounts
 114 relate shall not be disclosed.

115 Sec. 5. Subsection (g) of section 3-20 of the general statutes is
 116 repealed and the following is substituted in lieu thereof (*Effective*
 117 *October 1, 2005*):

118 (g) (1) With the exception of refunding bonds, whenever a bond act
 119 empowers the State Bond Commission to authorize bonds for any

120 project or purpose or projects or purposes, and whenever the State
121 Bond Commission finds that the authorization of such bonds will be in
122 the best interests of the state, it shall authorize such bonds by
123 resolution adopted by the approving vote of at least a majority of said
124 commission. No such resolution shall be so adopted by the State Bond
125 Commission unless it finds that there has been filed with it [(1)] (A)
126 any human services facility colocation statement to be filed with the
127 Secretary of the Office of Policy and Management, if so requested by
128 the secretary, pursuant to section 4b-23; [(2)] (B) a statement from the
129 Commissioner of Agriculture pursuant to section 22-6, for projects
130 which would convert twenty-five or more acres of prime farmland to a
131 nonagricultural use; [(3)] (C) prior to the meeting at which such
132 resolution is to be considered, any capital development impact
133 statement required to be filed with the Secretary of the Office of Policy
134 and Management; and [(4)] (D) such requests and such other
135 documents as it or said bond act require, provided no resolution with
136 respect to any school building project financed pursuant to section 10-
137 287d or any interest subsidy financed pursuant to section 10-292k shall
138 require the filing of any statements pursuant to [subdivision (1), (2) or
139 (3) of this subsection] subparagraph (A), (B), (C) or (D) of this
140 subdivision and provided further any resolution requiring a capital
141 impact statement shall be deemed not properly before the State Bond
142 Commission until such capital development impact statement is filed.
143 Any such resolution so adopted by the State Bond Commission shall
144 recite the bond act under which said commission is empowered to
145 authorize such bonds and the filing of all requests and other
146 documents, if any, required by it or such bond act, and shall state the
147 principal amount of the bonds authorized and a description of the
148 purpose or project for which such bonds are authorized. Such
149 description shall be sufficient if made merely by reference to a
150 numbered subsection, subdivision or other applicable section of such
151 bond act.

152 (2) The agenda of each meeting shall be made available to the
153 members of the commission not later than five business days prior to

154 the meeting at which such agenda is to be considered. The day of the
155 meeting shall count as one of the business days. The agenda of each
156 meeting, or any supporting documents included with such agenda,
157 shall include a reference to the statute or public or special act which is
158 the source of any funds to be used for any project on such agenda,
159 including any contingency funds and any reuse or reallocation of
160 funds previously approved for any other use or project, and a notation
161 of the outside source from which any funds for any such project were
162 received, if any.

163 (3) Upon adoption of a resolution, the principal amount of the
164 bonds authorized therein for such purpose or project shall be deemed
165 to be an appropriation and allocation of such amount for such purpose
166 or project, respectively, and subject to approval by the Governor of
167 allotment thereof and to any authorization for such project or purpose
168 that may otherwise be required, contracts may be awarded and
169 obligations incurred with respect to any such project or purpose in
170 amounts not in the aggregate exceeding such authorized principal
171 amount, notwithstanding that such contracts and obligations may at a
172 particular time exceed the amount of the proceeds from the sale of
173 such bonds theretofore received by the state. In any such resolution so
174 adopted, the State Bond Commission may include provision for the
175 date or dates of such bonds, the maturity of such bonds and,
176 notwithstanding the provisions of any bond act taking effect prior to
177 July 1, 1973, provision for either serial or term, sinking fund or other
178 reserve fund requirements, if any, due dates of the interest thereon, the
179 form of such bonds, the denominations and designation of such bonds,
180 registration, conversion and transfer privileges and the terms of
181 redemption with or without premium and the date and manner of sale
182 of such bonds, provisions for the consolidation of such bonds with
183 other bonds including refunding bonds for the purpose of sale as
184 provided in subsection (h) [hereof] of this section, limitations with
185 respect to the interest rate or rates on such bonds, provisions for
186 receipt and deposit or investment of the good faith deposit pending
187 delivery of such bonds and such other terms and conditions of such

188 bonds and of the issuance and sale thereof as the State Bond
 189 Commission may determine to be in the best interest of the state,
 190 provided the State Bond Commission may delegate to the Treasurer all
 191 or any part of the foregoing powers in which event the Treasurer shall
 192 exercise such powers until the State Bond Commission, by adoption of
 193 a resolution prior to exercise of such powers by the Treasurer shall
 194 elect to reassume the same. Such powers shall be exercised from time
 195 to time in such manner as the Treasurer shall determine to be in the
 196 best interests of the state and the Treasurer shall file a certificate of
 197 determination setting forth the details thereof with the secretary of the
 198 State Bond Commission on or before the date of delivery of such
 199 bonds, the details of which were determined by the Treasurer in
 200 accordance with such delegation.

201 (4) The State Bond Commission may authorize the Commissioner of
 202 Economic and Community Development to defer payments of interest
 203 or principal, or a portion thereof, in the case of a troubled loan, as
 204 defined in subdivision (1) of subsection (e) of section 8-37x, made by
 205 the commissioner under any provision of the general statutes.

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| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | July 1, 2005 | New section |
| Sec. 2 | July 1, 2005 | 2-24a |
| Sec. 3 | October 1, 2005 | 2-17 |
| Sec. 4 | October 1, 2005 | 2-71c(c) |
| Sec. 5 | October 1, 2005 | 3-20(g) |

FIN Joint Favorable Subst.

LM Joint Favorable